

RECORDATION NO. 18859-B FILED 1400

JUN 29 1994 -2 42 PM

INTERSTATE COMMERCE COMMISSION

LEASE SUPPLEMENT (SPTC Trust No. 1994-2) NO. 1

Dated June 29, 1994

between

SHAWMUT BANK CONNECTICUT, NATIONAL ASSOCIATION,  
not in its individual  
capacity except as expressly provided  
herein but solely as Owner Trustee,  
Lessor

and

SOUTHERN PACIFIC TRANSPORTATION COMPANY  
Lessee

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CERTAIN OF THE RIGHT, TITLE AND INTEREST OF THE LESSOR IN AND TO THIS LEASE SUPPLEMENT, THE EQUIPMENT COVERED HEREBY AND THE RENT DUE AND TO BECOME DUE UNDER THE LEASE HAVE BEEN ASSIGNED AS COLLATERAL SECURITY TO, AND ARE SUBJECT TO A SECURITY INTEREST IN FAVOR OF STATE STREET BANK AND TRUST COMPANY OF CONNECTICUT, NATIONAL ASSOCIATION, NOT IN ITS INDIVIDUAL CAPACITY BUT SOLELY AS INDENTURE TRUSTEE UNDER A TRUST INDENTURE AND SECURITY AGREEMENT (SPTC TRUST NO. 1994-2), DATED AS OF JUNE 29, 1994, BETWEEN SAID INDENTURE TRUSTEE, AS SECURED PARTY, AND THE LESSOR, AS DEBTOR. INFORMATION CONCERNING SUCH SECURITY INTEREST MAY BE OBTAINED FROM THE INDENTURE TRUSTEE AT ITS ADDRESS SET FORTH IN SECTION 20 OF THE LEASE. THIS LEASE SUPPLEMENT HAS BEEN EXECUTED IN SEVERAL COUNTERPARTS, BUT ONLY THE COUNTERPART TO BE DEEMED THE ORIGINAL COUNTERPART FOR CHATTEL PAPER PURPOSES CONTAINS THE RECEIPT THEREFOR EXECUTED BY STATE STREET BANK AND TRUST COMPANY OF CONNECTICUT, NATIONAL ASSOCIATION, AS INDENTURE TRUSTEE, ON THE SIGNATURE PAGES THEREOF. SEE SECTION 25.2 OF THE LEASE FOR INFORMATION CONCERNING THE RIGHTS OF THE ORIGINAL HOLDER AND THE HOLDERS OF THE VARIOUS COUNTERPARTS HEREOF.

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Filed with the Interstate Commerce Commission pursuant  
to 49 U.S.C. § 11303 on June \_\_, 1994, at \_\_:\_\_.M.  
Recordation Number \_\_\_\_\_, and deposited in the office  
of the Registrar General of Canada pursuant to  
Section 90 of the Railway Act of Canada on  
June \_\_, 1994, at \_\_:\_\_.M.

LEASE SUPPLEMENT (SPTC Trust No. 1994-2) NO. 1

LEASE SUPPLEMENT (SPTC Trust No. 1994-2) NO. 1 dated June 29, 1994 (this "Lease Supplement") between SHAWMUT BANK CONNECTICUT, NATIONAL ASSOCIATION, not in its individual capacity but solely as Owner Trustee (the "Lessor") under the Trust Agreement, and SOUTHERN PACIFIC TRANSPORTATION COMPANY, a Delaware corporation (the "Lessee");

W I T N E S S E T H

WHEREAS, the Lessor and the Lessee have heretofore entered into that certain Equipment Lease Agreement (SPTC Trust No. 1994-2), dated as of June 29, 1994 (the "Lease"). Unless otherwise defined herein, capitalized terms used herein shall have the meanings specified in Appendix A to the Lease; and

WHEREAS, the Lease provides for the execution and delivery of a Lease Supplement on each Closing Date substantially in the form hereof for the purpose of confirming the acceptance and lease of the Units under the Lease in accordance with the terms thereof;

NOW, THEREFORE, in consideration of the premises and other good and sufficient consideration, the Lessor and the Lessee hereby agree as follows:

1. Inspection and Approval. The Lessee hereby acknowledges and confirms that it has inspected and approved the Units set forth on Schedule 1 hereto and, as between the Lessor and the Lessee, such Units comply in all material respects with the specifications for such Units and are in good working order.

2. Delivery and Acceptance. The Lessor hereby confirms delivery and lease to the Lessee, and the Lessee hereby confirms acceptance and lease from the Lessor, under the Lease as hereby supplemented, of the Units listed on Schedule 1 hereto.

3. Warranty. The Lessee hereby represents and warrants that no event which would constitute an Event of Loss under the Lease has occurred with respect to the Units set forth on Schedule 1 hereto as of the date hereof.

4. Basic Rent, Stipulated Loss Values, Termination Values and EBO Amount. The Basic Rent payable under Section 3.2 of the Lease, Stipulated Loss Values, Termination Values and EBO Amount applicable in respect of the Units are set forth, respectively, on Schedules 3, 4, 5 and 6 to the Participation Agreement, as such Schedules may

be revised from time to time in accordance with the Operative Agreements.

5. Confirmation. The Lessee hereby confirms its agreement, in accordance with the Lease as supplemented by this Lease Supplement, to pay Rent to the Lessor for each Unit leased hereunder as provided for in the Lease.

6. Incorporation into Lease. This Lease Supplement shall be construed in connection with and as part of the Lease, and all terms, conditions and covenants contained in the Lease, as supplemented by this Lease Supplement, shall be and remain in full force and effect.

7. References. Any and all notices, requests, certificates and other instruments executed and delivered concurrently with or after the execution and delivery of this Lease Supplement may refer to the "Equipment Lease Agreement, dated as of June 29, 1994", or may identify the Lease in any other respect without making specific reference to this Lease Supplement, but nevertheless all such references shall be deemed to include this Lease Supplement, unless the context shall otherwise require.


8. Counterparts. This Lease Supplement may be executed in any number of counterparts, each executed counterpart constituting an original but all together one and the same instrument; provided that to the extent that this Lease Supplement constitutes chattel paper (as such term is defined in the Uniform Commercial Code) no security interest in this Lease Supplement may be created through the transfer or possession of any counterpart hereof other than the counterpart bearing the receipt therefor executed by the Indenture Trustee on the signature page hereof, which counterpart shall constitute the only "original" hereof for purposes of the Uniform Commercial Code.

9. GOVERNING LAW. THIS LEASE SUPPLEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF ILLINOIS; PROVIDED, HOWEVER, THAT THE PARTIES SHALL BE ENTITLED TO ALL RIGHTS CONFERRED BY ANY APPLICABLE FEDERAL STATUTE, RULE OR REGULATION.

IN WITNESS WHEREOF, the Lessor and the Lessee have caused this Lease Supplement to be duly executed and delivered in Rosemont, Illinois by their respective officers on the day and year first above written.

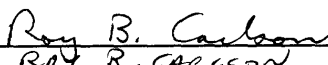
LESSOR:

SHAWMUT BANK CONNECTICUT, NATIONAL  
ASSOCIATION, not in its individual,  
but solely as Owner Trustee

By:   
Name: ALAN B. CORTHEY  
Title: ASSISTANT VICE PRESIDENT

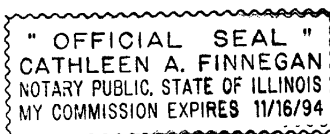
LESSEE:

SOUTHERN PACIFIC TRANSPORTATION  
COMPANY

By:   
Name: ROY B. CARLSON  
Title: VP-MGMT. SVCS.

STATE OF ILLINOIS     )  
                                      :   ss.  
COUNTY OF COOK        )

On this 24th of June, 1994, before me personally appeared Alan B. Coffey, to me personally known, who being by me duly sworn, said that he is Asst. Vice President of SHAWMUT BANK CONNECTICUT, NATIONAL ASSOCIATION, that said instrument was signed on behalf of said national banking association on such day by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said association.



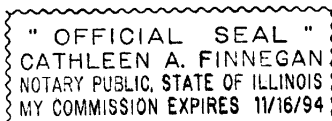
Cathleen A. Finnegan  
Notary Public

[NOTARIAL SEAL]

My commission expires: November 16, 1994

STATE OF ILLINOIS     )  
                                      :   ss.  
COUNTY OF COOK        )

On this 24th of June, 1994, before me personally appeared Roy B. Carlson to me personally known, who being by me duly sworn, said that he/she is Vice President of SOUTHERN PACIFIC TRANSPORTATION COMPANY, that said instrument was signed on behalf of said corporation on such day by authority of its Board of Directors, and he/she acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.



Cathleen A. Finnegan  
Notary Public

[NOTARIAL SEAL]

My commission expires: November 16, 1994

UNITS

<u>No. of Units</u>	<u>Description</u>	<u>Road Numbers</u>
24	Remanufactured SD40M-2 Locomotives	SP8574 through SP8578, inclusive; SP8584 through SP8590, inclusive; and SP8627 through SP8638, inclusive